



Federal Bureau of Investigation

Washington, D.C. 20535

April 9, 2015

MR. PATRICK REHKAMP
BETTER GOVERNMENT ASSOCIATION
SUITE 900
223 WEST JACKSON
CHICAGO, IL 60603

FOIPA Request No.: 1319177-000
Subject: STONE, BERNARD L

Dear Mr. Rehkamp:

The enclosed documents were reviewed under the Freedom of Information Act (FOIA), Title 5, United States Code, Section 552. Deletions have been made to protect information which is exempt from disclosure, with the appropriate exemptions noted on the page next to the excision. In addition, a deleted page information sheet was inserted in the file to indicate where pages were withheld entirely. The exemptions used to withhold information are marked below and explained on the enclosed Explanation of Exemptions:

Section 552

☐ (b)(1)

☐ (b)(2)

☐ (b)(3)

☐ (b)(4)

☐ (b)(5)

☒ (b)(6)

☐ (b)(7)(A)

☐ (b)(7)(B)

☒ (b)(7)(C)

☐ (b)(7)(D)

☒ (b)(7)(E)

☐ (b)(7)(F)

☐ (b)(8)

☐ (b)(9)

Section 552a

☐ (d)(5)

☐ (j)(2)

☐ (k)(1)

☐ (k)(2)

☐ (k)(3)

☐ (k)(4)

☐ (k)(5)

☐ (k)(6)

☐ (k)(7)

6 pages were reviewed and 6 pages are being released.

☐ Document(s) were located which originated with, or contained information concerning, other Government agency(ies) [OGA].

☐ This information has been referred to the OGA(s) for review and direct response to you.

☐ We are consulting with OGA(s). The FBI will correspond with you regarding this information when the consultation is finished.

☒ In accordance with standard FBI practice and pursuant to FOIA exemption (b)(7)(E) and Privacy Act exemption (j)(2) [5 U.S.C. § 552/552a (b)(7)(E)/(j)(2)], this response neither confirms nor denies the existence of your subject's name on any watch lists.

For your information, Congress excluded three discrete categories of law enforcement and national security records from the requirements of the FOIA. See 5 U.S.C. § 552(c) (2006 & Supp. IV (2010)). This response is limited

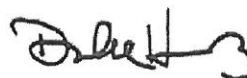
to those records that are subject to the requirements of the FOIA. This is a standard notification that is given to all our requesters and should not be taken as an indication that excluded records do, or do not, exist. Enclosed for your information is a copy of the Explanation of Exemptions.

☒ You have the right to appeal any denials in this release. Appeals should be directed in writing to the Director, Office of Information Policy (OIP), U.S. Department of Justice, 1425 New York Ave., NW, Suite 11050, Washington, D.C. 20530-0001, or you may submit an appeal through OIP's eFOIA portal at <http://www.justice.gov/oip/efoia-portal.html>. Your appeal must be received by OIP within sixty (60) days from the date of this letter in order to be considered timely. The envelope and the letter should be clearly marked "Freedom of Information Appeal." Please cite the FOIPA Request Number assigned to your request so that it may be easily identified.

☐ The enclosed material is from the main investigative file(s) in which the subject(s) of your request was the focus of the investigation. Our search located additional references, in files relating to other individuals, or matters, which may or may not be about your subject(s). Our experience has shown when identifying references usually contain information similar to the information processed in the main file(s). Because of our significant backlog, we have given priority to processing only the main investigative file(s). If you want the references, you must submit a separate request for them in writing, and they will be reviewed at a later date, as time and resources permit.

☒ See additional information which follows.

Sincerely,



David M. Hardy
Section Chief
Record/Information
Dissemination Section
Records Management Division

Enclosure(s)

In response to your Freedom of Information Act (FOIA) request, enclosed is a processed copy of the FBI Headquarters file 194-HQ-4406.

The enclosed documents, contained in FBI Headquarters file no. 194-HQ-4406, represent the final release of information responsive to your FOIA request.

In a letter dated February 23, 2015, you were apprised of an estimated cost for potentially responsive documents that were going to be reviewed as part of your FOIA request. Upon inspection of the files, it was found that the majority of the pages represented in the estimated cost letter were not responsive to your FOIA request. The responsive material has been reviewed and enclosed herein.

This material is being provided to you at no charge.

EXPLANATION OF EXEMPTIONS

SUBSECTIONS OF TITLE 5, UNITED STATES CODE, SECTION 552

- (b)(1) (A) specifically authorized under criteria established by an Executive order to be kept secret in the interest of national defense or foreign policy and (B) are in fact properly classified to such Executive order;
- (b)(2) related solely to the internal personnel rules and practices of an agency;
- (b)(3) specifically exempted from disclosure by statute (other than section 552b of this title), provided that such statute (A) requires that the matters be withheld from the public in such a manner as to leave no discretion on issue, or (B) establishes particular criteria for withholding or refers to particular types of matters to be withheld;
- (b)(4) trade secrets and commercial or financial information obtained from a person and privileged or confidential;
- (b)(5) inter-agency or intra-agency memorandums or letters which would not be available by law to a party other than an agency in litigation with the agency;
- (b)(6) personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy;
- (b)(7) records or information compiled for law enforcement purposes, but only to the extent that the production of such law enforcement records or information (A) could reasonably be expected to interfere with enforcement proceedings, (B) would deprive a person of a right to a fair trial or an impartial adjudication, (C) could reasonably be expected to constitute an unwarranted invasion of personal privacy, (D) could reasonably be expected to disclose the identity of confidential source, including a State, local, or foreign agency or authority or any private institution which furnished information on a confidential basis, and, in the case of record or information compiled by a criminal law enforcement authority in the course of a criminal investigation, or by an agency conducting a lawful national security intelligence investigation, information furnished by a confidential source, (E) would disclose techniques and procedures for law enforcement investigations or prosecutions, or would disclose guidelines for law enforcement investigations or prosecutions if such disclosure could reasonably be expected to risk circumvention of the law, or (F) could reasonably be expected to endanger the life or physical safety of any individual;
- (b)(8) contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of an agency responsible for the regulation or supervision of financial institutions; or
- (b)(9) geological and geophysical information and data, including maps, concerning wells.

SUBSECTIONS OF TITLE 5, UNITED STATES CODE, SECTION 552a

- (d)(5) information compiled in reasonable anticipation of a civil action proceeding;
- (j)(2) material reporting investigative efforts pertaining to the enforcement of criminal law including efforts to prevent, control, or reduce crime or apprehend criminals;
- (k)(1) information which is currently and properly classified pursuant to an Executive order in the interest of the national defense or foreign policy, for example, information involving intelligence sources or methods;
- (k)(2) investigatory material compiled for law enforcement purposes, other than criminal, which did not result in loss of a right, benefit or privilege under Federal programs, or which would identify a source who furnished information pursuant to a promise that his/her identity would be held in confidence;
- (k)(3) material maintained in connection with providing protective services to the President of the United States or any other individual pursuant to the authority of Title 18, United States Code, Section 3056;
- (k)(4) required by statute to be maintained and used solely as statistical records;
- (k)(5) investigatory material compiled solely for the purpose of determining suitability, eligibility, or qualifications for Federal civilian employment or for access to classified information, the disclosure of which would reveal the identity of the person who furnished information pursuant to a promise that his/her identity would be held in confidence;
- (k)(6) testing or examination material used to determine individual qualifications for appointment or promotion in Federal Government service the release of which would compromise the testing or examination process;
- (k)(7) material used to determine potential for promotion in the armed services, the disclosure of which would reveal the identity of the person who furnished the material pursuant to a promise that his/her identity would be held in confidence.

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☒ Airtel

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 2/7/84

TO: DIRECTOR, FBI

FROM: SAC, CHICAGO (194C-574) (P) (SQUAD 7-B)

BERNARD L. STONE,
 ALDERMAN, 50TH WARD,
 CHICAGO, ILLINOIS;
 HOBBS ACT - CPO;
 MAIL FRAUD;
 OO: CHICAGO

Enclosed for the Bureau are the original and three copies of a letterhead memorandum regarding captioned matter.

In view of the information set forth in the enclosed LHM and the favorable initial prosecutive opinion rendered by the U.S. Attorney's Office for the Northern District of Illinois at Chicago, the Chicago Division will conduct [redacted] regarding captioned matter.

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- ② - Bureau (Enc. 4)
 1 - Chicago
 KJW:cmh
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 1cc-wcc
 SK/2.D.
 2/27/84

FEB 27 1984

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Approved: 

Transmitted

(Number)

(Time)

Per



U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No.

Chicago, Illinois 60604
February 4, 1984

BERNARD L. STONE,
ALDERMAN, 50TH WARD,
CITY OF CHICAGO, ILLINOIS;
HOBBS ACT - CORRUPTION
OF PUBLIC OFFICIALS;
MAIL FRAUD

This investigation was predicated upon information furnished by a confidential source to Special Agent (SA) [redacted] of the Chicago Office of the Federal Bureau of Investigation (FBI) regarding alleged illegal activities on the part of Bernard L. Stone, an Attorney at Law and the Alderman of the 50th Ward of the City of Chicago, Illinois. Source has furnished reliable information in the past to SA [redacted]

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Source advised that Stone demanded and received over \$3,000 in cash from the owners of a McDonald's Restaurant located at [redacted] Chicago, Illinois, and in return Stone used his official position as a Chicago Alderman to secure permits necessary for the initial construction of the restaurant and the subsequent addition of a drive-thru facility. Source further alleged that Stone additionally misused his official powers to influence rezoning of the proposed restaurant site prior to construction. Source advised that these events occurred no more than five years ago at which time and to the present date the restaurant was located within the boundaries and jurisdiction of the 50th Ward.

Source further alleged that [redacted] initially contacted the restaurant owners and that subsequent contacts were handled by both [redacted] and Stone. Source believed that Stone obtained the necessary zoning changes and building and driveway permits through contact with [redacted] and then an upper management employee of [redacted]. Source further believed that at the time [redacted] was the right-hand man of [redacted]

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This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

194-4406-11

BERNARD L. STONE

[redacted] then the [redacted]
[redacted] Source advised that [redacted]
[redacted] and other family members are partners in
the law firm of [redacted]
Chicago. Source stated that Stone who allegedly is
associated with this firm on an "of counsel" basis, refers
his ward constituents to this firm and then uses his aldermanic
position to influence the outcome of petitions and other
actions brought by [redacted]. Source was not specifically
aware of any referral fees or other compensation paid to Stone
by [redacted]

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Source further advised that the owners of another
McDonald's Restaurant located in the vicinity of [redacted] and
[redacted] in Chicago, had contact with Stone and/or his
intermediary in a similar regard. Source believed the
intermediary was [redacted] who worked in Stone's ward
organization and may now be employed as [redacted]
of the [redacted] at [redacted]
Source noted that [redacted] were good
friends, but their relationship may have deteriorated when
Stone allegedly was unable or refused to deliver the necessary
zoning changes and permits on a timely basis.

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On January 27, 1984, the information set forth above
was discussed with Assistant United States Attorney (AUSA)
[redacted] United States Attorney's Office, Northern
District of Illinois, Chicago, Illinois. AUSA [redacted] was
of the opinion that this matter bore prosecutive potential
under the Hobbs Act and Mail Fraud statutes and warranted
further investigation. Accordingly the Chicago Office
of the FBI will conduct [redacted] regarding
captioned matter.

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U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No. CG 194C-574

219 South Dearborn Street
Chicago, Illinois
April 5, 1985

BERNARD L. STONE,
ALDERMAN,
50TH WARD,
CHICAGO, ILLINOIS;
HOBBS ACT - CORRUPTION OF
A PUBLIC OFFICIAL; MAIL FRAUD

This investigation was predicated upon information received from a confidential source of the Chicago Office of the FBI. The source alleged that [redacted] while employed [redacted]

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[redacted] acted as an intermediary or "bag man" for STONE in the extortion of money from at least two restaurant owners whose establishments were located in STONE's ward. Allegedly the payments were solicited and received to obtain STONE's support of rezoning applications and building permits for additions to the restaurants.

Due to the singular nature of the allegations, [redacted]

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regarding STONE and other matters, the Chicago Office maintained contact with the source of the information, but conducted minimal overt investigation, such as, interviewing the restaurant owners or obtaining records from appropriate agencies of the City of Chicago.

On February 22, 1985, and through efforts of the source, the Chicago Office discreetly approached [redacted] and solicited his cooperation. With the concurrence of the Office of the United States Attorney (USA), for the Northern District of Illinois (NDI), Chicago, Illinois, [redacted] subsequently reached an agreement with the Government as to his continued cooperation with the Government. The Chicago Office of the FBI is conducting debriefings of [redacted] primarily with regard to the major public corruption case entitled, "GREYLORD" and related matters. It is noted

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This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

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ENCLOSURE

194-4406-2

BERNARD L. STONE

that due to the singular source of the allegations regarding captioned matter, and existing investigative priorities, [] will not be debriefed in the foreseeable future regarding captioned matter.

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On April 2, 1985, the above information was discussed with Supervisory Special Agent, [] [] Chicago Office, who concurred with the closing for the time being of captioned matter.

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On April 4, 1985, the above information and SSA [] recommendation were discussed with Assistant United States Attorney (AUSA) [] [] NDI, Chicago, Illinois, who concurred with closing captioned investigation until it was feasible to debrief [] in that regard.

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In view of the above information and the opinion of the AUSA, NDI, Chicago, Illinois, the Chicago Office will conduct no further investigation of captioned matter and will consider this case closed.

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ Airtel

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 4/5/85

TO: DIRECTOR, FBI

FROM: SAC, CHICAGO (194C-574) (C) (SQUAD #6) (SQUAD #14)

BERNARD L. STONE,
 ALDERMAN,
 50TH WARD,
 CHICAGO, ILLINOIS;
 HOBBS ACT-CPO; MF

(OO: CHICAGO)

Re Chicago airtel to the Bureau dated
 2/7/84.

Enclosed for the Bureau is the original
 and three copies of an LHM regarding captioned
 matter.

One copy of same LHM is being furnished
 to the USA's Office, NDI, Chicago, Illinois, under
 separate cover.

On 2/22/85, the Chicago Office commenced
 debriefings of [redacted]

[redacted] for subject STONE. With the
 concurrence of the USA, NDI, Chicago, Illinois, an

[redacted] currently, and
 for the foreseeable future, will be debriefed regarding
 investigations other than captioned matter, in view of
 existing investigative priorities and the sensitive
 and singular nature of the allegations regarding captioned
 matter.

2 APR 16 1985

In view of the above, and with the concurrence
 of the USA, NDI, Chicago, Illinois, Chicago Office will
 consider the investigation of captioned matter closed
 until it is feasible to debrief [redacted] regarding this
 matter.

Approved: _____ Transmitted _____ (Number) _____ (Time) Per _____

- ② - Bureau (Encl. 4)
 1 - Chicago

ENCLOSURE

Encl. - crim. Prob. Integrity
 1 - NDI / LHM - ucc
 Park / RAS

4/23/85

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MUN. 1 KJW/dlf
 (3)